

MINUTES
EMMET COUNTY ROAD COMMISSION
HARBOR SPRINGS, MICHIGAN

The Emmet County Board of Road Commissioners met in regular session at the office in Harbor Springs, December 11, 2020. Chairman Frank Zulski called the meeting to order at 8:00 a.m.

Commissioners Present:

Frank Zulski - Chairman Robert Notestine - Vice Chairman Wade Williams - Member

Staff Present:

Brian Gutowski - Engineer/Manager Shawn Beckman – Project Manager
James Godzik – Permit/CADD Technician Bob Genson – Equipment Superintendent
Lisa Kleeman - Finance Director/Board Clerk

Guests Present via Zoom:

James Kargol – Emmet County Commissioner Toni Drier – Emmet County Commissioner
Michael Reaves - Emmet County Administrator Roger Moore – Wawatam Township
John Eby – Maple River Township Bill Dohm – Little Traverse Township
Thomas Miller–Trailsend Bay Property Association Dennis Keiser – Bear Creek Township
Bob Padilla – Trailsend Bay Property Association Bob Desy – Wawatam Township

MINUTES: It was moved by Robert Notestine, seconded by Wade Williams, to approve the regular session minutes of November 30, 2020.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

ACCOUNTS PAYABLE:

- a. Voucher No. 2049 for Accounts Payable checks 47471 through 47504, in the amount of \$344,546.56 was presented for approval. It was moved by Frank Zulski, seconded by Robert Notestine, to approve accounts payable for payment of the same.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

PAYROLL:

- a. Voucher No. 2050 for Payroll No. 25, checks 56271 through 56332 and direct deposit, for regular payroll plus longevity and sick leave payout in the amount of \$115,619.04, was presented for approval. It was moved by Robert Notestine, seconded by Wade Williams, to approve payroll for payment of the same.

Ayes: Notestine, Williams, Zulski
Nays: None
Motion carried

UNFINISHED BUSINESS: None

PUBLIC COMMENT:

- a. Roger Moore, Wawatam Township Supervisor – Inquired about the roads Enbridge will be traveling for Line 5 tunnel debris removal and have we addressed possible road damage. Godzik responded that four different entities will be working on these roads and the road commission will permit them except those under jurisdiction of Mackinaw City. Zulski mentioned they have already met with Enbridge about building the road to class A specification and the township will not be responsible.
- b. Bob Desy, Wawatam Township – Thanked Godzik for taking care of the water problem that developed on Wilderness Park Drive.

APPOINTMENTS:

- a. 8:15 a.m.: Public Hearing – Proposed 2021 Act 51 Budget. It was moved by Robert Notestine, seconded by Wade Williams, to begin the public hearing.

Ayes: Notestine, Williams, Zulski
Nays: None
Motion carried

The public hearing was advertised in the Petoskey News Review. Lisa Kleeman, Finance Director, presented the recommended 2021 Original Budget highlighting significant variances from the previous year's budget. After comments and questions, it was moved by Robert Notestine, seconded by Wade Williams, to end the public hearing.

Ayes: Notestine, Williams, Zulski
Nays: None
Motion carried

NEW BUSINESS:

- a. It was moved by Wade Williams, seconded by Robert Notestine, to adopt the 2021 Act 51 Budget as presented. Dennis Keiser, Bear Creek Township Supervisor - commented on Forest Funds being budgeted for use on local roads. Toni Drier, Emmet County Commissioner – commented she agreed about using Forest Funds for townships projects as well. See attached budget.

Roll Call Vote:

Notestine Aye
Williams Aye
Zulski Aye
Nays: None

Motion carried

- b. It was moved by Frank Zulski, seconded by Wade Williams, to approve the 2021 General Appropriations Act in accordance with the provisions of Public Act 2 of 1968. See attached.

Roll Call Vote:

Notestine Aye
Williams Aye
Zulski Aye
Nays: None

Motion carried

- c. It was moved by Frank Zulski, seconded by Wade Williams, to approve the proposed 2021 Board Meeting Schedule. See attached.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

- d. It was moved by Frank Zulski, seconded by Robert Notestine, to approve the request from MCRCSIP to join the amicus brief in support of MCRCSIP vs. Ingham, Jackson & Calhoun County.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

CORRESPONDENCE: None

ENGINEER-MANAGER'S REPORT: Gutowski reported the following:

- Cindy Baiardi sent an email regarding the annual Michigan Township Meeting that is tentatively scheduled at Littlefield Township Hall for January 20, 2021. A Zoom meeting was discussed as a possibility due to Covid.
- Allocation amounts and 5-Year Road Plans have been provided to the townships

- 10A Local Rural Task Force Meeting, December 15, 2020, at 10:00 a.m. via Zoom
- CRA Engineering Committee Meeting attended yesterday. The federal government, EPA, is considering making the Monarch Butterfly an endangered species. This could limit mowing and construction from June 15 through September. This would take effect in 2022 if passed.
- Wilderness Park Drive – many emails have been received about moving the road and tree cutting has begun on the DNR property.
- December 16 at 8:00 a.m., MCRCSIP Zoom meeting
- Dennis Keiser, Bear Creek Township Supervisor, received a call from Speaker of the House, Lee Chatfield's office, for potential road projects in his township. McDougal Road was discussed. Gutowski and Gray met with a consultant on aluminum bridge decks that cost about half that of timber bridges. McDougal Road bridge replacement could be a potential project.

SUPERVISOR'S REPORT: Beckman reported the following:

- Reviewing consultant designs on Eppler and Rustic Road
- Working with Road Foreman Gray on tree removal for the projects
- BIA project design on Stutsmanville Road
- Township project estimates and designs for 2021 are beginning

PERMIT/CAD TECHNICIAN'S REPORT: Godzik reported on a land division on State and Beckon Road. He has met with the parties for possible sites for division with viable access to Beckon Road as there is not enough site distance available on State Road. The buyers are going to assess the situation as the split was denied by Godzik. The original division occurred in 1992 but does not allow access with adequate site distance.

EQUIPMENT SUPERINTENDENT'S REPORT: Genson stated equipment is up and running for winter. The two mowing tractors we currently have will be repaired so new tractor purchases were removed from the equipment purchase list for 2021. He has been working with the Road Foremen and preparing for next year's equipment purchases.

ROAD FOREMAN'S REPORT: None

FINANCE DIRECTOR'S REPORT: None

COMMISSIONERS' REPORT: Commissioner Notestine wished everyone a Merry Christmas and there was discussion the next meeting has been moved to December 30, 2020.

Commissioner Zulski reminded Godzik to contact Enbridge about building the road for moving equipment to prepare for the tunnel. He also discussed the annual township meetings; the road commission will be providing these via Zoom for 2021 due to safety reasons. Zulski commented on Wilderness Park Drive and tree removal of 10 versus 15 feet. Having visited the site and comparing the difference, he stated there was an unbelievable difference for site visibility for the property owner accessing the road and the traveling public's ability to see what is accessing the road, with the additional 5 feet removed. In almost all cases where additional trees need to be cut, there are still trees that remain for screening, but the removal improves safety greatly. He strongly feels the clearing distance needs to be 15 feet due to increased safety and less shade and moisture on the road; Williams agreed it will save a lot of maintenance costs in the future and make it safer for people pulling out of their driveway. Notestine concurred improving safety is what we are about.

PUBLIC COMMENT:

- a. Bob Padilla, Trailsend Bay Property Association – When you drive from Trailsend Bay Road to Wilderness Park there have to be three to four twisting sections, with curvy road and 35 mph signs. Why is there a big push to straighten the road when there are so many curvy areas on the road? The trees are there to screen the houses and very nice trees are going to be removed. The clear zone seems to keep changing on how many feet will be cleared and he strongly objects to clearing 15 feet. He speaks for himself as a homeowner and as president of the Trailsend Property Association. Gutowski explained there are platted roads and easement roads which deal with ownership. He stated that the first portion of Wilderness Park Drive and the third portion are easements. This portion of road is platted and the road must be located within the right of way and the road commission can only operate where we own the property. Padilla mentioned meeting via Zoom with Zulski to discuss this matter. Zulski mentioned at the prior arena meeting in Mackinaw City, they clearly stated the road commission would look at 10 feet but reserved the right to clear trees to 15 feet for safety. He visited the area and did not note very many trees that had to be removed that would affect the homeowners. Gutowski mentioned what normally happens when roads are built and homes are more exposed to the traveling public, he sees the speed limit decrease, as happened on Channel Road. Godzik commented on working in the area with regards to safety, visibility, and traffic volume, and clearing 15 feet is much better for safety.
- b. Dennis Keiser, Bear Creek Township Supervisor – Requested the 2021 Board Meeting Schedule be sent to the townships. He also inquired if a public hearing on Greg Road is scheduled for December 30, 2020.

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Minutes of 12/11/20
Board of Emmet County Road Commissioners

Commissioner Zulski adjourned the meeting at 9:00 a.m.

Lisa Kleeman
Lisa Kleeman, Finance Director-Clerk of the Board

12-30-20
Date

EMMET COUNTY ROAD COMMISSION

2021 BUDGET - ORIGINAL

	2019 ACTUAL	2020 ORIGINAL	2020 AMEND. #1	2021 PROPOSED ORIGINAL	BUDGET DIFFERENCES
REVENUE:					
Licenses Permits	\$ 69,055	\$ 63,000	\$ 50,000	\$ 60,200	\$ 10,200 1
Federal Sources:					
Surface Transportation Program	1,071,382	524,000	451,249	-	(451,249) 2
Other	-	525,843	508,138	200,000	(308,138) 3
Total Federal Sources	\$ 1,071,382	\$ 1,049,843	\$ 959,387	\$ 200,000	\$ (759,387)
State Sources:					
MI Transportation Funds:					
Engineering	10,000	10,000	10,000	10,000	- 4
Allocation (Primary & Local)	5,926,195	6,443,667	5,828,297	6,448,965	620,668 4
Snow Removal	213,475	213,475	195,000	226,000	31,000 4
Urban (Primary & Local)	244,660	268,486	242,846	268,707	25,861 4
State Grants:					
Bridge	170	-	-	-	-
State D	137,414	160,531	172,916	-	(172,916) 2
Forest Funds	25,000	99,000	99,000	-	(99,000) 5
Other	349,200	168,000	156,034	-	(156,034) 6
Total State Sources	\$ 6,906,114	\$ 7,363,159	\$ 6,704,093	\$ 6,953,672	\$ 249,579
Contributions:					
Local Units-Other (Sale of Fed Aid)	-	467,404	-	467,000	467,000 2
Local Units (Twps & Villages)	3,052,724	1,133,627	1,168,968	4,816,589	3,647,621 7
Total Local Contributions	\$ 3,052,724	\$ 1,601,031	\$ 1,168,968	\$ 5,283,589	\$ 4,114,621
Charges for Services:					
Trunkline Maintenance	1,344,608	1,400,000	1,403,841	1,325,945	(77,896) 8
Trunkline Non-Maintenance	589,192	40,000	560,620	39,928	(520,692) 9
Salvage Sales	2,725	2,295	2,295	2,700	405 10
Other	1,900	-	-	-	-
Total Charges for Services	\$ 1,938,425	\$ 1,442,295	\$ 1,966,756	\$ 1,368,573	\$ (598,183)
Other Revenue:					
Interest & Rentals	10,616	5,000	5,000	1,500	(3,500) 11
Gain on Equipment & Disposal	11,332	-	-	-	- 12
Contributions from Private Sources	1,245,717	2,624,680	1,925,605	1,526,700	(398,905) 13
Other (Local Revenue, Sales, Etc.)	81,218	25,000	20,000	8,050	(11,950) 14
Total Other Revenue	\$ 1,348,883	\$ 2,654,680	\$ 1,950,605	\$ 1,536,250	(414,355)
Other Financing Sources:					
Loan/Note Proceeds	-	-	-	1,000,000	1,000,000 15
Total Other Financing Sources	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000
TOTAL REVENUE	\$ 14,386,582	\$ 14,174,008	\$ 12,799,809	\$ 16,402,284	\$ 3,602,476

	2019 ACTUAL	2020 ORIGINAL	2020 AMEND. #1	2021 PROPOSED ORIGINAL	BUDGET DIFFERENCES
EXPENDITURES:					
Primary Roads:					
Heavy Maintenance	\$ 2,916,310	\$ 3,613,139	\$ 3,058,112	\$ 2,255,116	\$ (802,996) 16
Structures	390,540	319,526	7,062	316,052	308,990 17
Maintenance	2,153,100	2,316,931	2,071,124	2,107,962	36,838 18
Total Primary Roads	\$ 5,459,950	\$ 6,249,596	\$ 5,136,298	\$ 4,679,129	\$ (457,169)
Local Roads:					
Heavy Maintenance	3,242,956	1,671,272	1,393,137	5,432,688	4,039,551 19
Structures	138,178	741,523	734,900	34,985	(699,915) 20
Maintenance	2,747,669	2,836,644	2,507,707	2,488,621	(19,086) 21
Total Local Roads	\$ 6,128,803	\$ 5,249,439	\$ 4,635,744	\$ 7,956,295	\$ 3,320,551
State Trunkline:					
Maintenance	1,359,981	1,400,000	1,268,252	1,275,945	7,693 22
Non-Maintenance	589,192	40,000	560,619	39,928	(520,691) 23
Total State Trunkline	\$ 1,949,173	\$ 1,440,000	\$ 1,828,871	\$ 1,315,873	\$ (512,998)
Equipment Expenses-Net	190,565	202,774	337,137	317,492	(19,645) 24
Distributive Expense	-	-	-	-	- 25
Capital Outlay - Net	54,310	(273,000)	(555,311)	511,700	1,067,011 26
Administrative - Net	493,015	604,920	601,990	717,067	115,077 27
Other	15,254	-	-	-	- 28
Debt Service:					
Principal	604,608	619,618	618,619	442,260	(176,359) 29
Interest	94,782	80,661	80,661	71,470	(9,191) 30
TOTAL EXPENSES	\$ 14,990,459	\$ 14,174,008	\$ 12,684,009	\$ 16,011,286	\$ 3,327,277
Net Gain or Loss	\$ (603,877)	\$ -	\$ 115,800	\$ 390,998	\$ 275,199
Beginning Fund Balance	1,817,746	1,213,869	1,213,869	1,329,669	-
Net Gain or (Loss)	(603,877)	-	115,800	390,998	275,199
ENDING FUND BALANCE	\$ 1,213,869	\$ 1,213,869	\$ 1,329,669	\$ 1,720,667	\$ 506,798

EMMET COUNTY ROAD COMMISSION

GENERAL APPROPRIATIONS ACT

Moved by Frank Zulski, supported by Wade Williams, that the 2021 Emmet County Road Commission Fund General Appropriations Act be approved unanimously as follows:

REVENUE:

STATE FUNDS	\$	6,953,672
FEDERAL STP SMALL URBAN		-
FEDERAL STP		-
OTHER STATE/FEDERAL SPECIAL FUNDING		-
STATE D		-
SAFETY		200,000
STATE FOREST FUNDS		-
STATE TRUNK LINE		1,325,945
STATE NON TRUNKLINE		39,928
TOWNSHIP CONTRIBUTIONS		4,816,589
OTHER CONTRIBUTIONS-PRIVATE SOURCES		1,526,700
CONTRIBUTIONS FROM LOCAL UNITS-OTHER		467,000
SALVAGE		2,700
INTEREST		1,500
GAIN OR LOSS		-
PERMIT FEES		60,200
LOAN/BOND PROCEEDS		1,000,000
ROYALTIES		8,050
SALE OF TIMBER		-
STATE BRIDGE PROGRAM		-
OTHER		-
TOTAL REVENUE	\$	<u>16,402,284</u>

EXPENDITURES:

PRIMARY CONSTRUCTION	\$	2,100,399
PRIMARY MAINTENANCE		1,492,468
LOCAL CONSTRUCTION		5,112,193
LOCAL MAINTENANCE		1,823,926
STATE TRUNK LINE MAINTENANCE		1,275,945
STATE TRUNKLINE NON-MAINTENANCE		39,928
DIRECT OPERATING EXPENSE		1,274,375
INDIRECT OPERATING EXPENSE		629,811
EQUIPMENT EXPENSE - OPERATING		250,000
EQUIPMENT RENTAL		(2,300,000)
DISTRIBUTIVE EXPENSE		2,628,012
ADMINISTRATIVE EXPENSE		460,026
ADMINISTRATIVE CREDITS		(134,135)
ENGINEERING EXPENSE		-
CAPITAL OUTLAY		1,366,700
CAPITAL OUTLAY CREDITS		(855,000)
GAIN ON TRADE IN		-
INTEREST AND PRINCIPAL		513,729
OTHER PROJECTS		-
PRIMARY BRIDGES		301,244
LOCAL BRIDGES		31,665
TOTAL EXPENDITURES	\$	<u>16,011,287</u>
BUDGETED NET REVENUE/EXPENDITURES	\$	390,998

GENERAL APPROPRIATIONS ACT (Continued)

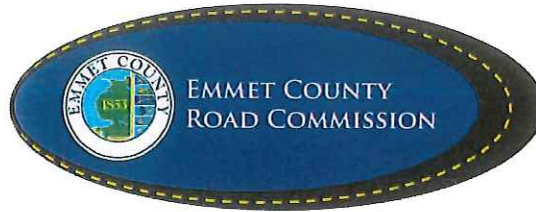
ESTIMATED FUND BALANCE 12/31/2020	\$	1,329,669
INCREASE/(DECREASE) TO FUND BALANCE		<u>390,998</u>
PROJECTED FUND BALANCE 12/31/2021	\$	<u><u>1,720,667</u></u>

For the purpose of administering the General Appropriations Act in accordance with the provisions of Public Act 2 of 1968, as amended, the following provisions are included:

1. Brian A. Gutowski, Engineer-Manager, is designated Chief Administrative Officer and Fiscal Officer.
2. The Chief Administrative Officer is authorized to transfer up to 25% of a line-item amount approved in the General Appropriations Act to another line-item without prior approval, but subject to approval of the Board of County Road Commissioners at their next regular Board Meeting.
3. The expenditure amount approved in this General Appropriations Act for Distributive Expense shall be allocated to the various other expenditure line-items in the proportion as the allocation of actual Distributive Expense monthly or at year end.

MOTION APPROVED by roll call vote, 3 ayes, 0 nays.

Wade Williams
Robert Notestine
Frank Zulski Jr.
Brian A. Gutowski, P.E.
Engineer-Manager
Lisa Kleeman
Finance Director -
Clerk of the Board



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2021 BOARD MEETING SCHEDULE

Board Meetings will regularly convene every other Friday at the Emmet County Road Commission office located at 2265 E. Hathaway Road, Harbor Springs, MI at 8:00 a.m. The summer scheduled meetings (in bold) will be held on Thursdays at 8:00 a.m., unless stated otherwise.

MEETING DATES

1	Monday, January 11, 2021	14	Thursday, July 8, 2021
2	Friday, January 22, 2021	15	Monday, July 26, 2021
3	Friday, February 5, 2021	16	Monday, August 9, 2021
4	Friday, February 19, 2021	17	Thursday, August 19, 2021
5	Friday, March 5, 2021	18	Thursday, September 2, 2021
6	Friday, March 19, 2021	19	Friday, September 17, 2021
7	Thursday, April 1, 2021	20	Friday, October 1, 2021
8	Friday, April 16, 2021	21	Friday, October 15, 2021
9	Friday, April 30, 2021	22	Friday, October 29, 2021
10	Monday, May 17, 2021	23	Friday, November 12, 2021
11	Thursday, May 27, 2021	24	Monday, November 29, 2021
12	Thursday, June 10, 2021	25	Friday, December 10, 2021
13	Wednesday, June 23, 2021	26	Wednesday, December 29, 2021